

# Investor Q&A

**WHITE GOLD CORP**

July 2020

*with David D'Onofrio, Shawn Ryan and Terry Brace*



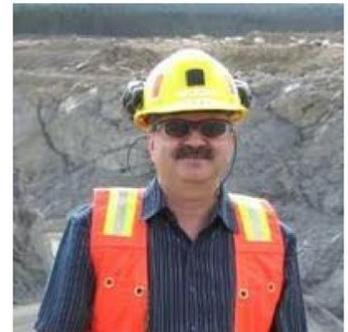
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CHIEF EXECUTIVE OFFICER, DIRECTOR



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**TERRY BRACE**

VP, EXPLORATION

## **Question:**

### **What are the company milestones for 2020 and 2021?**

We are looking to get some more information and expand mineralization at the Ryan's Surprise target, which we had great progress on in 2018 and 2019. The goal is to show that it can be a meaningful addition to the size of our flagship Golden Saddle deposit since it is in such close proximity.

Also doing the first diamond drilling ever on our Titan discovery following-up on very exciting results from last season.

There is a lot going on at our JP Ross ("JPR") property to follow-up on the high-grade mineralization discovered in the area in recent years.

Furthermore, we are preparing some of our earlier stage properties for work in the future. The Betty for example is something people have had their eyes on for many years now as it is along strike from

Newmont's multimillion-ounce Coffee deposit. The Bonanza has not seen any drilling but based on the structural interpretation, we are very optimistic. This was the site of the Klondike gold rush that produced millions of ounces of gold. A few of our other targets are gearing up for similar expedition work in 2021 as well.

## **Question:**

### **Can you tell us about the summer 2020 exploration program?**

For RAB drilling, we have budgeted about 25 RAB holes. That will be on 3 properties: the White, JPR and the Hen which holds the Titan. Those will be around mid-summer – the diamond drilling will be a bit later on in the season. We are trying to keep camp sizes down due to COVID-19 restrictions, so it makes sense to do things in this sequence.

We have budgeted around 3,000 metres of diamond drilling on Ryan's Surprise and the Titan.

**Question:**

**You have 40% of the district and have kicked-off the multi-year exploration program to “kiss all the frogs” and identify the lowest-hanging fruit. At what point do you expect to finish kissing all the frogs you expect to finish kissing all the frogs and prioritize targets?**

The plan has changed a little bit. Once we rolled in the property from Kinross, that increased the size of our package from 300,000 hectares to 400,000, which in turn rolled-in a lot more frogs. So, we have shifted from a 3-year program to a 4 to 5-year program, but we have had some great success so far.

As we kiss frogs, we continue to find new frogs. I believe we have a pipeline here for discovery opportunities for decades to come, and that is really the vision here for White Gold. We think we have a generational asset, and we are just scratching the surface. We have not even done deep drilling

anywhere yet like other more mature mining districts like Timmins - so there is definitely a lot more to come.

**Question:**

**What defines success for 2020?**

Trenching. On the JP Ross for example, we are going to be trenching. When we trenched the Vertigo last year, it was an “aha” moment. Now we are going to 10 other targets like that, and we are going to have some good trenching going on, so we are going to find some interesting new stuff. That is to get ready to drill later this year or next year.

But meanwhile, we have the Ryan’s Surprise - if we hit there, there is another big bonus that will come out of the woodwork. And then we still have the Betty and the Hart Mountain stuff that we are working on to prepare for next year’s drilling program.

So, at this point, we are not so much looking for the gold anomalies - we know where they are now because of the last three years. Now we are going in for the kill shots, so we should have a lot of success in front of us - hunting with a sniper rifle instead of



a shotgun.

**Question:**

**Management has alluded to keeping White Gold an exploration company indefinitely. Can you company indefinitely. Can you expand on this model? What is on the table for Golden Saddle, Vertigo, etc.?**

For us, we think this is a great problem to have, to have an asset that can be economical both as a standalone and as a part of something bigger. A lot of possibilities are on the table – selling properties to partners, royalties, JVs, spinoffs. Whatever makes most sense to optimize the value to shareholders.

**Question:**

**What is your best option for expanding the Saddle Arc resource? Strike or depth, or other targets like Ryan’s Surprise?**

As an exploration company, we are looking to get the best bang for the buck. So, a new target like Ryan’s surprise can add a lot of ounces with less work. We feel there is good potential there and maybe in the immediate area, the best potential. So, we feel even with 1,500 metres, even though we are not defining any resources, we certainly think this is a good chance to test that target to see if it has size potential, continuity and grade. Results to date show it has got some nice grade and continuity. The close proximity to the Golden Saddle means it is



*Field prospecting and geology mapping are essential components to the Company’s proprietary exploration strategy*

going to have some good synergies with that project, so it has got good ability to add resources in short order.

There are a couple other targets which we RAB drilled last season which we will be following-up with, which will hopefully lead to new potential like Ryan’s Surprise.

**Question:**

**What attracted you to Titan in particular, and what are you expecting from its exploration this year?**

Initially it was soil sampling, one of the proven best methods for exploring in the Yukon. It is a unique target because it has the look of a porphyry, as well as some skarn - the mass of magnetite associated with gold is a bit odd.



*Diamond drill in action*

There are two trends we are going to be following: one which trends to the northwest to north, and extends from that high-grade intersection we had in the RAB hole. Then there is another separate trend going off to the northeast. We are going to diamond drill that northwest to north trend – we have already had good, high-grade gold results in the RAB hole. Then we are going to use the RAB drill to test some similar magnetic highs that we see elsewhere within that circular magnetic feature and the northeast gold trend. We may diamond drill some of those as well if we get good RAB results.

**Question:**

**What are your sensor techniques and how detailed are the results?**

We use different types of sensors. The tools we use include things like drone LIDAR surveys, but for the geophysics that we do, we put down-hole survey tools down the RAB holes. This gives us a 3D blueprint of what is inside the drill hole. We will also take a laser beam using a \$50,000 machine to

zap the powder of the rock when it comes out of the drill hole to get the metal content, then splice that together with the televiewer to get a nice, oriented picture. Using these high-tech gadgets streamlines a process that normally takes six weeks to nightly data. This gives geologists lots of room to think in real-time - the modern-day stuff is really working for us.

**Question:**

**When can investors expect drill results?**

We are going to drill the Titan with the RAB and RC holes in July to gather data in preparation for the diamond drilling in August. Since the RC and RAB holes will be drilled July, we hope to have drill results by late August. Reduced capacity at the labs due to Covid is causing delays this year.



*The use of drones greatly enhances the effectiveness of the Company's prospecting activities*

**Question:**

**Will you update the White Gold Resource Update this year?**

No, we will not. At this point, we are looking to find new opportunities for significant expansion potential to our existing almost 1.8M oz (with almost over 1.2M oz inferred) - the Ryan's Surprise being the one that is being looked at most this year.

**Question:**

**How will you mitigate the effects of COVID-19, will COVID influence your program this year?**

COVID has had an influence on our program this year, but fortunately the Yukon has deemed exploration as an essential service so we are cleared and fully-permitted to continue working. However, what you will notice is that the program is scaled back from previous years to manage the size of the exploration camps. Should there be an issue with one camp, we are fortunate to have multiple properties that we can rotate to.

At the end of the day, what we have proposed for our 2020 exploration program still has an opportunity to have a huge impact for us as a company.

**Question:**

**One of the biggest issues in the north is dealing with winter. Is it possible to work year-round at this point?**

The creeks are running from the end of April, beginning of May until about the third week of September - so that is when you can diamond drill because you need water. But what we learned with the Coffee discovery is that with RC, we can actually drill year-round as long as you can drive to the drill. With the RAB & RC, we have actually extended our season - for example at Coffee they drilled in February all the way to the end of November, that is how they were able to get so many holes quickly.

So, there is always a way to extend the drilling season. But at the same time, we are trying to watch the dollar spend because it gets more expensive earlier or later in the season.

**Question:**

**Has work commenced on the Resource Gateway project?**

Yes the planning work has commenced. Overall it is a huge advancement in the district, where federal, territorial and local governments are investing hundreds of millions of dollars to support mining. The road from Dawson down to the Coffee Project cuts right through our portfolio, so it unlocks even further opportunities for small pods of a few hundred thousand ounces because there are mills in the area that makes the ore very economical.

**Question:**

**The oil price is quite low, is this good news for mining companies?**

The short answer is yes. When you look to evaluate the economic potential of a project, certainly the cost of oil is one of the factors. But in our context, there have been other changes in economic parameters that are even more beneficial to White Gold. One is, of course, the price of gold: the added value of what is coming out of the ground and the increased size of the deposit since it allows us to take more out of the ground.

In terms of evaluating other projects in our district, there has been a couple other changes that have been beneficial. The biggest one is the new Resource Gateway road infrastructure and also currency - gold is priced in USD but many of our costs like our workforce is in Canadian dollars.

**Question:**

**How would you respond to criticisms from sources that you are not progressing with urgency?**

We have been one of the most aggressive exploration companies in Canada. We balance our approach between three verticals: advanced-stage projects, intermediate post-discovery and grassroots projects. We are built to be an exploration company, looking to find low-hanging fruit.

Our focus has been to find near-surface gold in the near-proximity of the Golden Saddle, and the GS West and Ryan's Surprise projects are perfect examples of success in that regard. As a company, we believe we will create a lot more value by finding these new gold occurrences around the existing deposits as opposed to delineating the deposit itself. When the time is right, we will look to optimize value and what makes the most sense for shareholders. What is unique about White Gold is that insiders are very significant shareholders, meaning we are very aligned with the shareholder



*The Company's exploration activities also include an extensive mechanic trenching program on various properties*

group.

**Question:**

**You said the company is not being properly valued in the market - where do you think the value should be today?**

I think this is a very unique company with a lot going for it, in between its flagship assets over 1.7M oz, some of the best strategic partners including major mining companies like Agnico and Kinross and the sponsorship of institutions like Sprott. I think these people see the value and vision, the fact that the opportunity is a lot more than what we see in the market right now.

Eight Capital actually published research this year and gave a \$2.50 price target based on their analysis. If you take a look at all these different parts and some of the comparables out there, it should not be hard to come to a conclusion that our true value is much more than the market shows today.

In fact, if you took just the JP Ross Titan or the Betty out of White Gold, each could be comparable to similar companies in the district. Just the Golden Saddle & Arc and VG deposits could be worth US\$75+ per ounce based on comparable metrics. And there are quite a few other projects in here that could be company-makers by themselves – lots of blue sky.



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